

ORIGINAL

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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In the Matter of)

Implementation of the Pay)
Telephone Reclassification)
and Compensation Provisions)
of the Telecommunications)
Act of 1996)

CC Docket No. 96-128

To: The Commission

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

REPLY COMMENTS OF AIRTOUCH PAGING

AirTouch Paging and its affiliates^{1/} ("AirTouch"), by its attorneys, respectfully submits its reply comments in response to those comments filed regarding the Notice of Proposed Rulemaking^{2/} (the "Notice") released June 6, 1996 in the above-captioned proceeding.

After reviewing the comments filed in this proceeding, it appears that a majority of the telecommunications industry, ranging from interexchange carriers^{3/} to local exchange carriers,^{4/} supports the

1/ The licensed affiliates of AirTouch Paging are: AirTouch Paging of Virginia, Inc., AirTouch Paging of Kentucky, Inc., AirTouch Paging of Texas, AirTouch Paging of California, and AirTouch Paging of Ohio.

2/ FCC 96-254.

3/ AT&T, Sprint, and MCI filed comments supporting this position.

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Commission's proposal on "carrier pays" as the appropriate payment mechanism for compensating payphone service providers. All of the paging providers who submitted comments, including AirTouch, supported a "calling party pays" via a "set-use"^{5/} fee.

While AirTouch would support a "carrier pays" mechanism if it were implemented in a competitively-neutral manner without adverse impact on the paging and messaging industry, AirTouch believes that the better solution is that proposed by the paging providers because it economically incents the appropriate party making the decision and having the choice of whether to use a payphone -- the calling party -- and thus creates competition among the payphone service providers. As AirTouch stated in its comments, any other payment mechanism would adversely impact the paging and messaging industry by imposing costs on the industry that cannot be readily passed on to subscribers.^{6/} Thus, any payment mechanism implemented by the Commission should avoid

4/ (...continued)

4/ Ameritech, BellSouth, GTE, Southwestern Bell, and US West filed comments supporting this position.

5/ AirTouch Paging, Arch Communications Group, Inc., Paging Network, Inc. and the Personal Communications Industry Association filed comments supporting this position.

6/ See Comments of AirTouch Paging, at pages 12, 14.

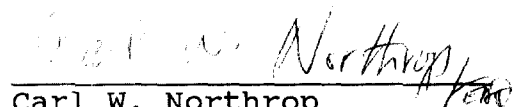
imposing uncontrollable and unpredictable costs on the industry.

The foregoing premises having been duly considered, AirTouch respectfully requests that the Commission: (i) adopt a federal regulatory scheme with respect to 800 subscriber calls, and (ii) adopt a "set-use" fee to be paid by the calling party, or, alternatively, adopt a payment mechanism that does not adversely impact the paging and messaging industry.

Respectfully submitted,

AirTouch Paging

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July 15, 1996
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CERTIFICATE OF SERVICE

I, Nadine Smith-Garrett, a secretary with the law firm of Paul, Hastings, Janofsky & Walker, hereby certify that I have on this 15th day of July, 1996, caused a true and correct copy of the foregoing Reply Comments of AirTouch Paging to be sent by first-class United States mail, postage prepaid, to all parties of record in CC Docket No. 96-128, and to be delivered by hand to:

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